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REPORT OF THE INDUSTRIAL DEVELOPMENT BOARD ON THE WORK OF ITS TWENTY-SEVENTH SESSION

(26-28 August 2003)

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Introduction

1. The report of the Industrial Development Board on the work of its twenty-seventh session is presented to the General Conference in accordance with Article 9.4 (c) of the Constitution. The summary records of the Board (IDB.27/SR.1-6), where the details of the proceedings are contained, form an integral part of the present report.

2. The following decisions of the Board, reproduced in annex I, are related to the work of the General Conference at its tenth session:

IDB.27/Dec.3	Scale of assessments for the fiscal period 2004-2005
IDB.27/Dec.4	Working Capital Fund for the biennium 2004-2005
IDB.27/Dec.6	Programme and Budgets, 2004-2005
IDB.27/Dec.10	Personnel matters
IDB.27/Dec.12	Preparations for the tenth session of the General Conference

I. ORGANIZATIONAL AND PROCEDURAL MATTERS

3. The twenty-seventh session of the Board was held at UNIDO Headquarters, Vienna International Centre, from 26 to 28 August 2003 (6 plenary meetings—see IDB.27/SR.1-6).

Participation

4. All 53 members of the Board were represented at the session: Algeria, Austria, Belarus, Belgium, Bolivia, Bulgaria, Burkina Faso, Chile, China, Colombia, Côte d'Ivoire, Croatia, Cuba, Denmark, Ecuador, Egypt, Ethiopia, France, Germany, Ghana, Greece, Guatemala, Hungary, India, Indonesia, Iran (Islamic Republic of), Ireland, Italy, Japan, Jordan, Kenya, Lesotho, Libyan Arab Jamahiriya, Luxembourg, Morocco, Nigeria, Pakistan, Peru, Philippines, Republic of Korea, Russian Federation, Saudi Arabia, Spain, Sri Lanka, Sudan, Sweden, Switzerland, Thailand, Tunisia, Turkey, United Kingdom of Great Britain and Northern Ireland, Uruguay and Venezuela.

5. The following 39 Member States of UNIDO also participated in the session: Afghanistan, Albania, Angola, Argentina, Bosnia and Herzegovina, Brazil, Costa Rica, Cyprus, Czech Republic, Democratic People's Republic of Korea, Finland, Israel, Kuwait, Lebanon, Lithuania, Madagascar, Malaysia, Mexico, Namibia, Netherlands, Nicaragua, Norway, Oman, Panama, Paraguay, Poland, Portugal, Romania, Serbia and Montenegro, Slovakia, South Africa, Syrian Arab Republic, Uganda, Ukraine, United Arab Emirates, Uzbekistan, Viet Nam, Yemen and Zimbabwe.

6. The Holy See participated as observer.

7. The permanent observer of Palestine also participated.

8. The following United Nations bodies were represented: Joint Inspection Unit, United Nations Office at Vienna.

9. The following United Nations specialized agencies were represented: Food and Agriculture Organization of the United Nations, International Atomic Energy Agency.

10. The following other intergovernmental organizations were represented: European Union, Gulf Organization for Industrial Consulting, International Centre for Genetic Engineering and Biotechnology, International Institute of Refrigeration, International Centre for Science and High Technology, League of Arab States, Organization of the Islamic Conference, Organization of the Petroleum Exporting Countries.

11. The following non-governmental organizations were represented: Association of Former United Nations Industry and Development Experts, Austrian Senior Experts Pool, Austro-Egyptian Chamber of Commerce, Institut Supérieur de Gestion, International Association ZNANIE, International Federation of Business and Professional Women, International Organization of Employers, Mountain Unlimited (Society for Development and International Cooperation), Soroptimist International, World Confederation of Labour.

Opening of the session

12. The twenty-seventh session of the Board was declared open by the President of the twenty-fifth and twenty-sixth sessions, Mr. I. Horváth (Hungary).

Officers of the session

13. In accordance with rule 23 of its rules of procedure, the Board elected by acclamation Mr. R. González Aninat (Chile) as President; Mr. H. El-Laithy (Egypt), Ms. M. Ramis-Plum (France) and Mr. T. P. Sreenivasan (India) as Vice-Presidents; and Mr. P. Poptchev (Bulgaria) as Rapporteur.

Agenda for the session

14. The Board adopted the provisional agenda:

1. Election of officers.

2. Adoption of the agenda.

3. Annual report of the Director-General for 2002 on the activities of the Organization.

4. Report of the Programme and Budget Committee:

   (a) Interim report of the External Auditor, financial performance report and programme performance report for the biennium 2002-2003;

   (b) Financial situation of UNIDO;

   (c) Scale of assessments for apportionment of the regular budget expenses;

   (d) Working Capital Fund for the biennium 2004-2005;

   (e) Financing of UNIDO programmes, including new initiatives for funds mobilization;

   (f) Transition to a single-currency system;

   (g) Follow-up to report of the External Auditor for the biennium 2000-2001;

   (h) Appointment of an External Auditor.

5. Programme and budgets, 2004-2005.

6. Implementation of medium-term programme framework, 2002-2005, including:

   (a) Update on preparations for the biotechnology forum;

   (b) Field representation.

7. Medium-term programme framework, 2004-2007.

8. International Centre for Science and High Technology.

9. Activities of the Joint Inspection Unit.

10. Personnel matters.

11. Consultations with non-Member States.

12. Matters related to intergovernmental, non-governmental, governmental and other organizations.

13. Preparations for the tenth session of the General Conference.

14. Provisional agenda and date of the twenty-eighth session.

15. Adoption of the report.

15. The Board adopted a proposal by the President to ensure the maximum utilization of available conference-servicing resources (see annex I, decision IDB.27/Dec.1, IDB.27/SR.2, paras. 1-2).

16. The Board decided to set up informal, in-session consultations with the aim of facilitating the drafting of decisions and entrusted Vice-President Ms. M. Kamis-Plum (France) (see IDB.27/SR.2, paras. 3-4) to chair those consultations.

II. ANNUAL REPORT OF THE DIRECTOR-GENERAL FOR 2002 ON THE ACTIVITIES OF THE ORGANIZATION (item 3); REPORT OF THE PROGRAMME AND BUDGET COMMITTEE (item 4); PROGRAMME AND BUDGETS, 2004-2005 (item 5)

17. The Board decided to discuss simultaneously items 3, 4 including sub-items (a) to (h), and item 5. The debate on the items is reflected in summary records IDB.27/SR.2, paragraphs 5 to 99 and IDB.27/SR.3, paragraphs 1 to 95.

A. ANNUAL REPORT OF THE DIRECTOR-GENERAL FOR 2002 ON THE ACTIVITIES OF THE ORGANIZATION

18. Under item 3 the Board had before it the Annual Report of the Director-General for 2002 on the activities of the Organization (IDB.27/2) including the programme performance report and the list of technical cooperation activities (IDB.27/2/Add.1). At the proposal of the President, the Board took note of the documentation provided by the Secretariat (IDB.27/SR.6, paras. 5-6).

B. REPORT OF THE PROGRAMME AND BUDGET COMMITTEE

19. Under item 4, the Board had before it the report of the Programme and Budget Committee on the work of its nineteenth session (IDB.27/12).

i. Interim report of the External Auditor, financial performance report and programme performance report for the biennium 2002-2003

20. Under item 4 (a), the Board had before it the interim report of the External Auditor (IDB.27/6), the interim financial performance report for the biennium 2002-2003 (IDB.27/8), the *Annual Report 2002* (including interim programme performance report for the biennium 2002-2003) (IDB.27/2) and a list of technical cooperation activities (IDB.27/2/Add.1). At

the proposal of the President, the Board took note of the documentation provided by the Secretariat (IDB.27/SR.6, paras. 7-8).

ii. Financial situation of UNIDO

21. Under item 4 (b), the Board had before it a report by the Director-General on the financial situation of UNIDO (IDB.27/10) and updated information on the financial situation of UNIDO (IDB.27/CRP.7). The Board considered a draft decision submitted by the President (IDB.27/L.2) and adopted decision IDB.27/Dec.2 (see annex I).

iii. Scale of assessments for apportionment of the regular budget expenses

22. Under item 4 (c), the Board had before it a note by the Secretariat on the scale of assessments for the fiscal period 2004-2005 (IDB.27/7). The Board considered a draft decision submitted by the President (IDB.27/L.3) and adopted decision IDB.27/Dec.3 (see annex I).

iv. Working Capital Fund for the biennium 2004-2005

23. Under item 4 (d), the Board had before it the proposals by the Director-General on the Working Capital Fund for the biennium 2004-2005 (IDB.27/4). The Board considered a draft decision submitted by the President (IDB.27/L.4) and adopted decision IDB.27/Dec.4 (see annex I).

v. Financing of UNIDO programmes, including new initiatives for funds mobilization

24. Under item 4 (e), the Board had before it information on the mobilization of financial resources, contained in the *Annual Report 2002* (IDB.27/2, chap. V.C). At the proposal of the President, the Board took note of the documentation provided by the Secretariat (IDB.27/SR.6, paras. 15-16).

vi. Transition to a single-currency system

25. Under item 4 (f), the Board had before it a note by the Secretariat on transition to a single-currency system (IDB.27/9). The Board considered a draft decision submitted by the President (IDB.27/L.5) and adopted decision IDB.27/Dec.5 (see annex I).

vii. Follow-up to report of the External Auditor for the biennium 2000-2001

26. Under item 4 (g), the Board had before it the interim report of the External Auditor, Audit of the United Nations Industrial Development Organization for the financial period 2002-2003 (IDB.27/6). At the proposal of the President, the Board took note of the documentation provided by the Secretariat (IDB.27/SR.6, paras. 19-20).

viii. Appointment of an External Auditor

27. Under item 4 (h), the Board had before it the report by the Director-General on candidatures for the appointment of an External Auditor (IDB.27/5) and additional information provided in a note by the Secretariat (IDB.27/CRP.2). At the proposal of the President, the Board took note of the documentation provided by the Secretariat (IDB.27/SR.6, paras. 21-22).

C. PROGRAMME AND BUDGETS, 2004-2005

28. Under item 5, the Board had before it the proposals by the Director-General for the programme and budgets, 2004-2005 (IDB.27/3). The Board considered a draft decision submitted by the President (IDB.27/L.6) and adopted decision IDB.27/Dec.6 (see annex I).

III. IMPLEMENTATION OF MEDIUM-TERM PROGRAMME FRAMEWORK, 2002-2005 (item 6); MEDIUM-TERM PROGRAMME FRAMEWORK, 2004-2007 (item 7)

29. The Board decided to discuss simultaneously items 6 including (a) and (b) and item 7. The debate on the items is reflected in summary record IDB.27/SR.4, paragraphs 1 to 88. The Board had before it a note prepared by the Secretariat on the follow-up to the Third United Nations Conference on the Least Developed Countries (IDB.27/CRP.8), which referred to both items 6 and 7.

A. IMPLEMENTATION OF MEDIUM-TERM PROGRAMME FRAMEWORK, 2002-2005

30. Under item 6, the Board had before it the report by the Director-General on the implementation of the medium-term programme framework, 2002-2005 (IDB.27/17) and a note by the Secretariat on the status of the integrated programmes and country service frameworks (IDB.27/CRP.6). The Board considered a draft decision submitted by the President (IDB.27/L.12) and adopted decision IDB.27/Dec.7 (see annex I).

i. Update on preparations for the biotechnology forum

31. Under item 6 (a), the Board had before it a note by the Secretariat on preparations for the Global Biotechnology Forum (IDB.27/15) as well as a conference room paper containing updated information

on the preparations (IDB.27/CRP.10). The Board considered a draft decision submitted by the President (IDB.27/L.13) and adopted decision IDB.27/Dec.8 (see annex I).

ii. Field representation

32. Under item 6 (b), the Board had before it a report by the Director-General on field representation: programmatic reform and decentralization (IDB.27/21) and a conference room paper prepared by the Secretariat on decentralization in UNIDO (IDB.27/CRP.9). At the proposal of the President, the Board took note of the documentation provided by the Secretariat (IDB.27/SR.6, paras. 29-30).

B. MEDIUM-TERM PROGRAMME FRAMEWORK, 2004-2007

33. Under item 7, the Board had before it the revised proposals of the Director-General for the medium-term programme framework, 2004-2007 (IDB.27/14). The Board considered a draft decision submitted by the President (IDB.27/L.11) and adopted decision IDB.27/Dec.9 (see annex I).

IV. INTERNATIONAL CENTRE FOR SCIENCE AND HIGH TECHNOLOGY

34. The Board had before it a report by the Director-General on the International Centre for Science and High Technology (IDB.27/22). The debate on this item is reflected in summary record IDB.27/SR.4, paragraphs 89 to 94 and IDB.27/SR.5, paragraph 1. At the proposal of the President, the Board took note of the documentation provided by the Secretariat (IDB.27/SR.6, paras. 33-34).

V. ACTIVITIES OF THE JOINT INSPECTION UNIT

35. The Board had before it three reports by the Director-General on the activities of the Joint Inspection Unit (IDB.27/19, Add.1 and Add.2) of which the report contained in IDB.27/19 was to be considered in conjunction with the note by the Secretariat (IDB.27/CRP.3). The debate on item 9 is reflected in summary record IDB.27/SR.5, paragraphs 2 to 19. At the proposal of the President, the Board took note of the documentation provided by the Secretariat (IDB.27/SR.6, paras. 37-38).

VI. PERSONNEL MATTERS

36. The Board had before it a report by the Director-General on personnel matters (IDB.27/16), information on the composition of the Secretariat and personnel-related information, contained in the *Annual Report 2002* (IDB.27/2, appendix L) and a list of UNIDO staff as of 1 August 2003 as contained in IDB.27/CRP.4. The debate on item 10 is reflected in summary record IDB.27/SR.5, paragraphs 20 to 23. The Board considered a draft decision submitted by the President (IDB.27/L.7) and adopted decision IDB.27/Dec.10.

VII. CONSULTATIONS WITH NON-MEMBER STATES

37. The Board had before it a progress report by the Director-General on consultations with non-Member States (IDB.27/20). The debate on item 11 is reflected in summary record IDB.27/SR.5, paragraphs 24 to 30. At the proposal of the President, the Board took note of the documentation provided by the Secretariat (IDB.27/SR.6, paras. 39-40).

VIII. MATTERS RELATED TO INTER-GOVERNMENTAL, NON-GOVERNMENTAL, GOVERNMENTAL AND OTHER ORGANIZATIONS

38. The Board had before it a note by the Director-General containing an application from a non-governmental organization for consultative status (IDB.27/18). The debate on item 12 is reflected in summary record IDB.27/SR.5, paragraphs 31 to 34. The Board considered a draft decision submitted by the President (IDB.27/L.8) and adopted decision IDB.27/Dec.11 (see annex I).

IX. PREPARATIONS FOR THE TENTH SESSION OF THE GENERAL CONFERENCE

39. The Board had before it a report by the Director-General on preparations for the tenth session of the General Conference (IDB.27/13). The debate on item 13 is reflected in summary record IDB.27/SR.5, paragraphs 35 to 38. The Board considered a draft decision submitted by the President (IDB.27/L.9) and adopted decision IDB.27/Dec.12 (see annex I).

X. PROVISIONAL AGENDA AND DATE OF THE TWENTY-EIGHTH SESSION

40. The Board had before it a conference room paper containing a note by the Director-General on the provisional agenda and date of the twenty-eighth session (IDB.27/CRP.5). The debate on item 14 is reflected in summary record IDB.27/SR.5, paragraph 39. The Board considered a draft decision

submitted by the President (IDB.27/L.10) and adopted decision IDB.27/Dec.13 (see annex I).

XI. ADOPTION OF THE REPORT

41. The Board considered the draft report (IDB.27/L.1) and adopted it as a whole with the understanding that the Rapporteur would be entrusted with the task of finalizing the report (see summary record IDB.27/SR.6, paras. 51 to 53).

XII. CLOSURE OF THE SESSION

42. On 28 August 2003, at 4.40 p.m., the Board closed its twenty-seventh session (see IDB.27/SR.6, paras. 54-56).

Annex I

DECISIONS ADOPTED BY THE BOARD AT ITS TWENTY-SEVENTH SESSION

Decision No.	Title	Page
IDB.27/Dec.1	Utilization of available conference-servicing resources (IDB.27/SR.2, paras. 1-2)	8
IDB.27/Dec.2	Financial situation of UNIDO (IDB.27/SR.6, paras. 9-10)	8
IDB.27/Dec.3	Scale of assessments for the fiscal period 2004-2005 (IDB.27/SR.6, paras. 11-12)	8
IDB.27/Dec.4	Working Capital Fund for the biennium 2004-2005 (IDB.27/SR.6, paras. 13-14)	8
IDB.27/Dec.5	Transition to a single-currency system (IDB.27/SR.6, paras. 17-18)	8
IDB.27/Dec.6	Programme and budgets, 2004-2005 (IDB.27/SR.6, paras. 23-24)	9
IDB.27/Dec.7	Strengthening industrial capacities (IDB.27/SR.6, paras. 25-26)	9
IDB.27/Dec.8	Preparations for the biotechnology forum (IDB.27/SR.6, paras. 43-46)	9
IDB.27/Dec.9	Support to the least developed countries (IDB.27/SR.6, paras. 31-32)	10
IDB.27/Dec.10	Personnel matters (IDB.27/SR.6, paras. 37-38)	11
IDB.27/Dec.11	Application from a non-governmental organization for consultative status (IDB.27/SR.6, paras. 41-42)	11
IDB.27/Dec.12	Preparations for the tenth session of the General Conference (IDB.27/SR.6, paras. 47-48)	11
IDB.27/Dec.13	Provisional agenda and date of the twenty-eighth session (IDB.27/SR.6, paras. 49-50)	12

IDB.27/Dec.1 UTILIZATION OF AVAILABLE CONFERENCE-SERVICING RESOURCES

The Industrial Development Board, with the aim of utilizing the available conference-servicing resources to the maximum possible effect, decided to suspend with immediate effect rule 32 of its rules of procedure relating to the quorum, for the meetings of its twenty-seventh session only and provided no substantive decisions were taken at those meetings.

2nd plenary meeting
26 August 2003

IDB.27/Dec.2 FINANCIAL SITUATION OF UNIDO

The Industrial Development Board:

(a) Took note of the information provided in documents IDB.27/10 and PBC.19/CRP.5;

(b) Requested Member States to pay their assessed contributions, including advances to the Working Capital Fund, in full and on time;

(c) Urged those Members and former Members that are in arrears to fulfil their constitutional obligations towards the Organization without further delay;

(d) Requested the Director-General to pursue his efforts and contacts with Member States and former Member States to effect the collection of arrears;

(e) Congratulated the Director-General for document PBC.19/CRP.5 providing information on incentives and disincentives and requested the Secretariat to continue its efforts to provide more detailed information concerning the effectiveness of existing mechanisms under other international organizations to encourage Member States to pay their assessed contributions in a timely manner.

6th plenary meeting
28 August 2003

IDB.27/Dec.3 SCALE OF ASSESSMENTS FOR THE FISCAL PERIOD 2004-2005

The Industrial Development Board:

(a) Took note of documents IDB.27/7 and Add.1;

(b) Recommended that the General Conference, under its constitutional prerogative, establish a scale of assessments for the fiscal period 2004-2005 based on United Nations General Assembly resolutions 55/5 B-F and 57/4 B, adjusted to the membership of UNIDO on the understanding that new Members shall be assessed for the year in which they become Members on the basis of the United Nations scale of assessments, as applicable to UNIDO;

(c) Requested Member States to pay their assessed contributions for the 2004-2005 biennium in accordance with financial regulation 5.5 (b), which states that contributions and advances shall be due and payable in full within thirty days of the receipt of the communication of the Director-General, or as of the first day of the calendar year to which it relates, whichever is later;

(d) Called on Member States and former Member States that are in arrears to fulfil their constitutional obligations by paying their outstanding assessed contributions in full and without conditions as soon as possible, or to take advantage of payment plans to settle their arrears in accordance with previous decisions by the governing bodies of UNIDO.

6th plenary meeting
28 August 2003

IDB.27/Dec.4 WORKING CAPITAL FUND FOR THE BIENNIUM 2004-2005

The Industrial Development Board:

(a) Took note of document IDB.27/4;

(b) Recommended to the General Conference that the level of the Working Capital Fund and the authorized purposes of the Fund for the 2004-2005 biennium remain the same as for the 2002-2003 biennium (€7,423,030);

(c) Urged Member States to pay their outstanding assessed contributions for 2003 and arrears as soon as possible to minimize the need to withdraw sums to meet shortfalls in the payment of assessed contributions.

6th plenary meeting
28 August 2003

IDB.27/Dec.5 TRANSITION TO A SINGLE-CURRENCY SYSTEM

The Industrial Development Board:

(a) Took note of the information provided in document IDB.27/9 on the transition to a single-

currency system, and in particular regarding the preparation of the interim financial performance report for the biennium 2002-2003;

(b) Noted with satisfaction the steps taken by the Director-General to ensure the introduction of the euro as a single-currency for budgeting, assessment, accounting and reporting;

(c) Requested the Director-General to inform Member States of further developments, inter alia, resulting from the closure of the biennium's accounts, as well as on the management of technical cooperation projects in both dollars and euros.

6th plenary meeting
28 August 2003

IDB.27/Dec.6 PROGRAMME AND BUDGETS, 2004-2005

The Industrial Development Board:

(a) Adopted for submission to the General Conference for consideration and approval the programme and budgets for the biennium 2004-2005 as contained in document IDB.27/3 and adjusted in the current decision;

(b) Having considered the resource requirements for the regular budget contained in document IDB.27/3, recommended to the General Conference the approval of estimates of gross expenditures of €145,013,300 to be financed from assessed contributions in the amount of €142,000,000 and other income of €3,013,300;

(c) Also recommended to the General Conference the approval of estimates of gross expenditures totalling €21,826,870 for the purpose of the operational budget for the biennium 2004-2005 to be financed from voluntary contributions in the amount of €21,512,370 and other income amounting to €314,500 as may be provided for in the financial regulations;

(d) Noted the assurance by the Secretariat that the delivery of technical cooperation would be preserved in quantity and quality terms;

(e) Requested the Director-General to raise the necessary resources through voluntary contributions with the assistance of the working group on voluntary contributions, to ensure that the reduction in the regular budget did not affect technical cooperation delivery in a negative manner;

(f) Also requested the Director-General to continue to seek efficiency gains in the implementation of the programme and budgets;

(g) Recommended that the present reduction in the budget would not be treated as a precedent for future budget.

6th plenary meeting
28 August 2003

IDB.27/Dec.7 STRENGTHENING INDUSTRIAL CAPACITIES

The Industrial Development Board:

(a) Took note of the information contained in document IDB.27/17 on the establishment of an informal consultative group on trade capacity-building, comprising interested Member States, to advise and assist the Director-General in implementing the UNIDO initiative on "Enabling Developing Countries to Participate in International Trade";

(b) Urged interested Member States to continue participating in the activities of the informal consultative group on trade capacity-building;

(c) Urged Member States to render their valuable support in the implementation of the initiative on "Enabling Developing Countries to Participate in International Trade";

(d) Requested the Director-General to keep Member States regularly informed on the group's activities and recommendations and on the related programmes.

6th plenary meeting
28 August 2003

IDB.27/Dec.8 PREPARATIONS FOR THE BIO-TECHNOLOGY FORUM

The Industrial Development Board:

(a) Reaffirmed the decision on the Global Biotechnology Forum (IDB.26/Dec.8) adopted by the Industrial Development Board at its twenty-sixth session;

(b) Recalled the General Assembly resolution (57/237) on the Global Biotechnology Forum adopted on 20 December 2002;

(c) Recalled also the Millennium Development Goals;

(d) Reaffirmed that the priorities of the Forum should clearly relate to UNIDO's mandate as indicated in the medium-term programme framework, 2002-2005;

(e) Took into account the interest expressed by UNIDO Member States in a successful outcome of the Forum, which required an efficient preparatory process for all concerned regions and a clear focus of the Forum;

(f) Took note with interest of the useful information recently provided by the Director-General on the preparations for the Forum on Biotechnology;

(g) Also took note with appreciation of the present action by Chile, host of the Global Biotechnology Forum, on its national preparations towards the successful implementation of the Forum;

(h) Requested the Director-General:

(i) To consult with Member States on the ongoing preparatory process, including the preparations for preparatory meetings in all regions, and to provide regular and detailed information on the outcome of those meetings and on the sources of funding and expenditures;

(ii) To prepare and circulate as soon as possible a substantive document with action-oriented recommendations in the context of the industrial application of biotechnology as related to UNIDO's mandate, with a view to promoting sustainable industrial development, taking duly into account the objectives set out in the Millennium Development Goals;

(iii) To prepare, in consultation with Member States and taking into account the outcomes of the preparatory process of all regions, a draft final statement of the Forum, which should be circulated well in advance to allow in-depth examination by participants before the Forum;

(iv) To provide Member States with an indicative level of participation by the end of January 2004;

(i) Urged Member States to provide valuable support and representation at the highest appropriate level, and to encourage participation of all other stakeholders, in order to ensure a successful outcome of the Forum;

(j) Encouraged the Director-General to continue his efforts in order to ensure the contribution of the Forum to the fulfilment of UNIDO's mandate and to the development of UNIDO's programmes and projects in that respect.

6th plenary meeting
28 August 2003

IDB.27/Dec.9 SUPPORT TO THE LEAST DEVELOPED COUNTRIES

The Industrial Development Board:

(a) Recalled the endorsement by the United Nations General Assembly, in resolution 55/279 of 12 July 2001, of the Brussels Declaration and Programme of Action for the Least Developed Countries for the Decade 2001-2010, as adopted by the Third United Nations Conference on the Least Developed Countries, held in Brussels from 14 to 20 May 2001;

(b) Recalled also resolution 2002/33 of 26 July 2002 of the Economic and Social Council, United Nations General Assembly resolutions 56/227 of 24 December 2001 and 57/276 of 20 December 2002, in which the United Nations system and other multilateral organizations were invited to mainstream the implementation of the Brussels Declaration and the Programme of Action for the Least Developed Countries for the Decade 2001-2010 within their programmes of work;

(c) Recalled further the Rabat Declaration on the Least Developed Countries issued in June 2003, as a contribution of the Group of 77 and China to give priority to the efforts aiming at implementing the programmes intended for the least developed countries;

(d) Recalled, in particular, the recommendations for the industrialization of the least developed countries in the Business Plan of UNIDO and in subsequent mandates of the UNIDO governing bodies, including resolutions GC.7/Res.4 and GC.9/Res.2 and Board decision IDB.23/Dec.10 on UNIDO involvement in the Third United Nations Conference on the Least Developed Countries;

(e) Took into account the priority given to least developed countries in the strategic guidelines "Towards improved UNIDO programme delivery", as adopted by the Board in decision IDB.26/Dec.7;

(f) Noted with satisfaction the valuable support given and measures taken by UNIDO, as reported in the *Annual Report 2002* (IDB.27/2, chap. IV.A), in line with the priorities identified in the Business Plan;

(g) Stressed the importance of coordination between UNIDO and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States established by the United Nations General Assembly in resolution 56/227;

(h) Resolved that UNIDO, in accordance with its Business Plan, should continue to give special attention to the least developed countries in its programme activities in order to contribute to the effective implementation of the Brussels Programme of Action and invited the Director-General to take necessary measures in that regard;

(i) Also invited the Director-General to take into account the Programme of Action for the Least Developed Countries in formulating and implementing UNIDO activities.

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28 August 2003

IDB.27/Dec.10 PERSONNEL MATTERS

The Industrial Development Board:

(a) Took note of the information contained in document IDB.27/16;

(b) Noted the amendments made in pursuance of staff regulation 13.3 to schedule I and annex II of the staff regulations in order to bring them into conformity with the decision of the General Assembly set out in resolution 57/285;

(c) Also noted the amendments to appendices A, C and E to the staff rules;

(d) Recognized the competitive and transparent process that had been used to appoint senior managers in the Organization and the accomplishments so far in improving the gender balance in UNIDO;

(e) Welcomed the Director-General's recent decision to cease recruitment in Headquarters under the 200 series of staff rules and appointments of limited duration under the 300 series and to use the significant reduction in the time needed to recruit staff to ensure that all staff are recruited through a competitive and transparent process, wherever possible with prior information, with continued emphasis to improving gender balance and having equitable geographical representation;

(f) Invited the Secretariat to continue providing Member States with information on anticipated vacancies and thus through regular dialogue encourage recruitment of best candidates in a timely fashion;

(g) Recommended to the General Conference the following candidates for the election of two members and two alternate members of the UNIDO Staff Pension Committee for the biennium 2004-2005:

Members: Mr. Cédric Janssens de Bisthoven (Belgium)
Mr. Mlulami M. L. Singaphi (South Africa)

Alternate Members: Mrs. Vesna Vukovič (Croatia)
Mr. Tanmaya Lal (India).

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IDB.27/Dec.11 APPLICATION FROM A NON-GOVERNMENTAL ORGANIZATION FOR CONSULTATIVE STATUS

The Industrial Development Board:

(a) Took note of the information provided in document IDB.27/18;

(b) Decided, in accordance with Article 19.1 (b) of the Constitution and the guidelines for the relationship of UNIDO with intergovernmental, governmental, non-governmental and other organizations (General Conference decision GC.1/Dec.41, annex, para. 17), to grant consultative status with UNIDO to the non-governmental organization World Federation of Free Zones (FEMOZA).

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IDB.27/Dec.12 PREPARATIONS FOR THE TENTH SESSION OF THE GENERAL CONFERENCE

The Industrial Development Board:

(a) Took note of the information provided in document IDB.27/13;

(b) Approved the following provisional agenda for the tenth session of the General Conference:

1. Opening of the session.
2. Election of officers.
3. Adoption of the agenda.
4. Organization of work.
5. Credentials of representatives to the Conference.
6. Elections to organs:
   (a) Industrial Development Board;
   (b) Programme and Budget Committee.
7. Annual reports of the Director-General on the activities of the Organization for 2001 and 2002.
8. Reports of the Industrial Development Board on the work of its twenty-fifth, twenty-sixth and twenty-seventh regular sessions.
9. The role of industrial development in the achievement of the Millennium Development Goals (forum).
10. Financial matters:
    (a) Scale of assessments of Member States;
    (b) Financial situation of UNIDO;
    (c) Working Capital Fund;
    (d) Transition to a single-currency system;
    (e) Appointment of an External Auditor.
11. Implementation of the medium-term programme framework, 2002-2005.
12. Medium-term programme framework, 2004-2007, including:
    (a) Field representation;
    (b) Application of the strategic guidelines "Towards improved UNIDO programme delivery";
    (c) Integrated programmes and country service frameworks;
    (d) Service modules;
    (e) Corporate strategy of the Organization.
13. Programme and budgets, 2004-2005.
14. Activities of the Joint Inspection Unit—JIU review of management and administration in UNIDO.
15. International Centre for Science and High Technology.
16. UNIDO Staff Pension Committee.
17. Matters related to intergovernmental, non-governmental, governmental and other organizations.
18. Application for observer status.
19. Date and place of the eleventh session.
20. Closure of the session.

(c) Agreed to hold a forum on "The role of industrial development in the achievement of the Millennium Development Goals" within the framework of the General Conference (provisional agenda, item 9);

(d) Recommended to the Conference that items 7 to 17 and item 19 of the provisional agenda be allocated to a main committee of the Conference;

(e) Recommended that, in the light of experience gained in the preparation of previous sessions of the Conference, the President of the twenty-seventh session of the Industrial Development Board conduct informal consultations for the preparation of the tenth session of the Conference;

(f) Took note of the preliminary announcement made by Colombia regarding its intention to host the eleventh session of the General Conference of UNIDO at Cartagena in 2005.

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IDB.27/Dec.13 PROVISIONAL AGENDA AND DATE OF THE TWENTY-EIGHTH SESSION

The Industrial Development Board:

(a) Took note of the information contained in document IDB.27/CRP.5;

(b) Decided to approve the following provisional agenda for its twenty-eighth session:

1. Election of officers.

2. Adoption of the agenda.

3. Annual report of the Director-General for 2003 on the activities of the Organization.

4. Outcome of the informal consultative groups.

5. Application of the strategic guidelines "Towards improved UNIDO programme delivery".

6. Financial situation of UNIDO.

7. Transition to a single-currency system.

8. Activities of the Joint Inspection Unit.

9. Global Biotechnology Forum.

10. Consultations with non-Member States.

11. Personnel matters [if required].

12. Matters related to intergovernmental, non-governmental, governmental and other organizations.

13. Provisional agenda and date of the twenty-ninth session.

14. Adoption of the report.

(c) Decided to hold its twenty-eighth session from 25 to 27 May 2004.

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Annex II

DOCUMENTS SUBMITTED TO THE BOARD AT ITS TWENTY-SEVENTH SESSION

Symbol	Agenda item	Title
IDB.27/1	2	Provisional agenda
IDB.27/1/Add.1	2	Annotated provisional agenda
IDB.27/2 PBC.19/2	3	*Annual Report 2002*
IDB.27/2/Add.1 PBC.19/2/Add.1	3	*Annual Report 2002*. List of technical cooperation activities
IDB.27/3 PBC.19/3	5	Programme and budgets, 2004-2005. Proposals of the Director-General
IDB.27/4 PBC.19/4	4 (d)	Working Capital Fund for the biennium 2004-2005. Proposals by the Director-General
IDB.27/5 PBC.19/5 and Add.1	4 (h)	Candidatures for the appointment of an External Auditor. Report by the Director-General
IDB.27/6 PBC.19/6	4 (a) and (g)	Interim report of the External Auditor: Audit of the United Nations Industrial Development Organization for the financial period 2002-2003
IDB.27/7 PBC.19/7 and Add.1	4 (c)	Scale of assessments for the fiscal period 2004-2005. Note by the Secretariat
IDB.27/8 PBC.19/8	4 (a)	Interim financial performance report for the biennium 2002-2003. Submitted by the Director-General
IDB.27/9 PBC.19/9	4 (f)	Transition to a single-currency system. Note by the Secretariat
IDB.27/10 PBC.19/10	4 (b)	Financial situation of UNIDO, including arrears. Report by the Director-General
IDB.27/11/Rev.1	-	Lists of States included in Annex I to the Constitution of UNIDO. Note by the Secretariat
IDB.27/12	4	Report of the Programme and Budget Committee on the work of its nineteenth session (28-30 April 2003)
IDB.27/13	13	Preparations for the tenth session of the General Conference. Report by the Director-General
GC.10/5 IDB.27/14	7	Medium-term programme framework, 2004-2007. Revised proposals of the Director-General
IDB.27/15	6 (a)	Preparations for the Global Biotechnology Forum. Note by the Secretariat

Symbol	Agenda item	Title
IDB.27/16	10	Personnel matters. Report by the Director-General
GC.10/6 IDB.27/17	6	Implementation of medium-term programme framework, 2002-2005. Report by the Director-General
IDB.27/18	12	Applications from non-governmental organizations for consultative status. Note by the Director-General
IDB.27/19 and Add.1	9	Activities of the Joint Inspection Unit. Report by the Director-General
IDB.27/19/Add.2	9	Comments of the Director-General on the JIU review of management and administration in UNIDO
IDB.27/20	11	Consultations with non-Member States. Report by the Director-General
GC.10/8 IDB.27/21	6 (b)	Field representation. Programmatic reform and decentralization. Report by the Director-General
GC.10/7 IDB.27/22	8	International Centre for Science and High Technology. Report by the Director-General
		Conference room papers
IDB.27/CRP.1	2	Adoption of the agenda. List of documents
IDB.27/CRP.2	4 (h)	Candidatures for the appointment of an External Auditor. Note by the Secretariat
IDB.27/CRP.3	9	Activities of the Joint Inspection Unit. Note by the Secretariat
IDB.27/CRP.4	10	List of staff of the UNIDO Secretariat. Submitted by the Secretariat
IDB.27/CRP.5	14	Provisional agenda and date of the twenty-eighth session. Note by the Director-General
IDB.27/CRP.6	6	Implementation of medium-term programme framework, 2002-2005. Integrated programmes and country service frameworks. Note by the Secretariat
IDB.27/CRP.7	4 (b)	Financial situation of UNIDO. Note by the Secretariat
IDB.27/CRP.8	6 and 7	Follow-up to the Third United Nations Conference on the Least Developed Countries. Note by the Secretariat
IDB.27/CRP.9	6 (b)	Decentralization in UNIDO. Note by the Secretariat
IDB.27/CRP.10	6 (a)	Preparations for the Global Biotechnology Forum. Note by the Director-General
IDB.27/CRP.11	-	List of participants